

AMENDED IN SENATE APRIL 14, 2004

SENATE BILL

No. 1428

Introduced by Senator Torlakson

February 19, 2004

An act to ~~amend Section 33334.2~~ add and repeal Section 33334.23 of the Health and Safety Code, relating to redevelopment.

LEGISLATIVE COUNSEL'S DIGEST

SB 1428, as amended, Torlakson. Redevelopment.

Existing law governing housing and home finance generally defines the term "affordable housing cost" to mean, with respect to very low, lower, and moderate-income households receiving assistance, housing costs not exceeding the product of a specified percentage times a specified percent of the area median income. Under existing law, this definition is used for determining, among other things, the affordability of housing made available pursuant to a requirement that a redevelopment agency allocate 20% of tax-increment revenues for housing available at affordable housing cost.

This bill would separately define affordable housing cost to allow the Contra Costa County Redevelopment Agency, for the purposes of the provisions requiring a redevelopment agency to allocate 20% of tax-increment revenues for housing available at affordable housing cost, to make assistance available to first-time homebuyers for owner-occupied homes under specified conditions. The bill would require the agency to periodically report specified information to the Controller. These provisions would be repealed on January 1, 2012, except as specified.

~~The existing Community Redevelopment Law requires certain affordable housing units developed within the city limits of Walnut Creek to remain affordable for at least 55 years.~~

~~This bill would require those units to remain affordable in perpetuity.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

~~SECTION 1. Section 33334.2 of the Health and Safety Code~~

SECTION 1. Section 33334.23 is added to the Health and Safety Code, to read:

33334.23. (a) Notwithstanding Section 50052.5, the Contra Costa County Redevelopment Agency may make assistance available from its Low and Moderate Income Housing Fund directly to a first-time homebuyer at affordable housing cost for the purchase of an owner-occupied home consistent with the housing policies and programs contained in the agency's implementation plan adopted pursuant to Section 33490.

(b) For the purposes of this section, "affordable housing cost" shall not exceed the following:

(1) For very low income households, the payments are less than 45 percent of what a household at 50 percent of the area median income earns, adjusted for family size. In addition, for any very low income household that has a gross income that equals or exceeds 40 percent, and is below 50 percent, of area median income adjusted for family size, any state or local funding agency may require that the affordable housing cost not exceed 45 percent of the gross income of the household.

(2) For lower income households whose gross incomes exceed the maximum income for very low income households and do not exceed 70 percent of the area median income adjusted for family size, the product of 45 percent times 60 percent of the area median income adjusted for family size. In addition, for any lower income household that has a gross income that equals or exceeds 60 percent, and is below 80 percent as defined by the United States Department of Housing and Urban Development, of area median income adjusted for family size, any state or local funding agency may require that the affordable housing cost not exceed 45 percent of the gross income of the household.

1 (3) *For moderate-income households whose gross income*
2 *exceeds the maximum income for very low and lower income*
3 *households:*

4 (A) *For households whose gross income does not exceed 90*
5 *percent of the area median income adjusted for family size, the*
6 *product of 45 percent of 90 percent of area median income adjusted*
7 *for family size.*

8 (B) *For households whose gross income exceeds 90 percent,*
9 *and is below 100 percent of the area median income adjusted for*
10 *family size, the product of 40 percent of 100 percent of area median*
11 *income adjusted for family size.*

12 (C) *For households whose gross income exceeds 100 percent,*
13 *and is below 110 percent of the area median income adjusted for*
14 *family size, the product of 35 percent of 110 percent of area median*
15 *income adjusted for family size.*

16 (D) *For households whose gross income exceeds 110 percent,*
17 *and is below 120 percent of area median income adjusted for*
18 *family size, the product of 30 percent of 120 percent of area median*
19 *income adjusted for family size.*

20 (c) *Any agency in Contra Costa County that provides*
21 *assistance pursuant to this section shall include in the annual*
22 *report to the Controller, pursuant to Sections 33080 and 33080.1,*
23 *in every other year commencing in 2007, all of the following*
24 *information:*

25 (1) *The sales prices of homes purchased with assistance from*
26 *the agency's Low and Moderate Income Housing Fund for each*
27 *year from 2005 to 2011, inclusive.*

28 (2) *The sales prices of homes purchased and rehabilitated with*
29 *assistance from the agency's Low and Moderate Income Housing*
30 *Fund for each year from 2005 to 2011, inclusive.*

31 (3) *The incomes, and percentage of income paid for housing*
32 *costs, of all households that purchased, and that purchased and*
33 *rehabilitated, homes with assistance from the agency's Low and*
34 *Moderate Income Housing Fund for each year from 2005 to 2011,*
35 *inclusive.*

36 (4) *The mortgage amount and amount of public assistance*
37 *provided to households that purchased, and that purchased and*
38 *rehabilitated, homes with assistance from the agency's Low and*
39 *Moderate Income Housing Fund for each year from 2005 to 2011,*
40 *inclusive.*

1 (5) (A) *The public assistance provided, and household income*
2 *level, of all households that purchased, and that purchased and*
3 *rehabilitated, homes with assistance from the agency's Low and*
4 *Moderate Income Housing Fund for each year from 2005 to 2011,*
5 *inclusive.*

6 (B) *In addition, the public assistance provided and household*
7 *income level for households assisted under this section as*
8 *compared to public assistance provided and household income*
9 *level of households that purchased, and that purchased and*
10 *rehabilitated, homes with assistance from the agency's Low and*
11 *Moderate Income Housing Fund prior to the operative date of this*
12 *section.*

13 (6) (A) *The percentage of households from the community that*
14 *purchased and rehabilitated homes with assistance from the*
15 *agency's Low and Moderate Income Housing Fund for each year*
16 *from 2005 to 2011, inclusive.*

17 (B) *The percentage of community member households assisted*
18 *under this section as compared to percentage of community*
19 *member households that purchased, and that purchased and*
20 *rehabilitated, homes with assistance from the agency's Low and*
21 *Moderate Income Housing Fund prior to this section becoming*
22 *operative.*

23 (C) *For the purposes of this subdivision, "community*
24 *members" means households that live in, had previously lived in,*
25 *or have family currently living in the community where the home*
26 *purchased is located.*

27 (7) (A) *The percentage of the agency's Low and Moderate*
28 *Income Housing Fund provided to assist rental, rehabilitation,*
29 *and home-ownership housing programs for each year from 2005*
30 *to 2011, inclusive.*

31 (B) *The percentage of rental, rehabilitation, and home*
32 *ownership programs assisted under this section as compared to the*
33 *percentage of rental, rehabilitation, and home ownership housing*
34 *programs that were assisted from the agency's Low and Moderate*
35 *Income Housing Fund prior to the operative date of this section.*

36 (d) *Except as provided in subdivision (b), all provisions of*
37 *Section 50052.5, including any definitions, requirements,*
38 *standards, and regulations adopted to implement those provisions,*
39 *shall apply to this section.*

(e) Any redevelopment agency providing assistance pursuant to this section shall give preference in the provision of that assistance to persons displaced by redevelopment activities.

(f) Any redevelopment agency providing assistance pursuant to this section shall not provide housing assistance for the purchase of new housing located outside of a project area.

(g) A redevelopment agency shall not expend more than 50 percent of its Low and Moderate Income Housing Fund for the purposes of homebuyer assistance provided pursuant to this section.

(h) (1) This section shall remain in effect only until January 1, 2012, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2012, deletes or extends that date.

Notwithstanding paragraph (1), assistance to an eligible household that is qualified for mortgage assistance from the agency's Low and Moderate Income Housing Fund prior to September 1, 2011, through an executed developer loan agreement, lender qualification letter, or similar instrument, may be provided by the agency under the terms and conditions otherwise provided for in this section after January 1, 2012.

SEC. 2. The Legislature finds and declares that, because of the unique circumstances applicable only to the County of Contra Costa, a statute of general applicability cannot be enacted within the meaning of subdivision (b) of Section 16 of Article IV of the California Constitution. Therefore, this special statute is necessary.

All matter omitted in this version of the bill appears in the bill as introduced/ amended in the Senate, February 19, 2004 (JR 11)